

**THE REGULAR MEETING  
OF THE  
BOARD OF DIRECTORS  
TRABUCO CANYON WATER DISTRICT  
DECEMBER 21, 2011**

The Regular Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD) was called to order by President Safranski at 7:01 p.m. at Trabuco Canyon Water District's office located at 32003 Dove Canyon Drive, Trabuco Canyon, California. Teresa Teichman, Secretary to the Board of Directors, recorded and transcribed the minutes thereof.

**DIRECTORS PRESENT**

Mike Safranski, President  
Ed Mandich, Vice President  
Glenn Acosta, Director  
Jim Haselton, Director

**STAFF PRESENT**

Don Chadd, General Manager  
Hector Ruiz, District Engineer  
Teresa Teichman, Secretary to the Board of Directors  
Michael Perea, Special Projects Manager

**PUBLIC PRESENT**

There was one member of the public present.

**PLEDGE OF ALLEGIANCE**

Director Haselton led the Board and staff in the pledge of allegiance.

**VISITOR COMMENTS**

There was one visitor who completed a comment/speaker card.

**ORAL COMMUNICATION**

There were no oral comments.

**DIRECTOR'S COMMENTS**

1 President Safranski advised that Director Disston could not be in attendance tonight due  
2 to a death in the family. President Safranski expressed holiday sentiments to Staff and Board  
3 members and acknowledged staffs accomplishments throughout the past year.

4 Director Acosta expressed the same sentiments.

5 Director Haselton thanked administrative and field staff of TCWD for a good year.

6 Vice President Mandich shared the same sentiments and extended holiday wishes to  
7 everyone.

#### 8 **REPORT FROM THE GENERAL MANAGER**

9 Mr. Don Chadd, General Manager, extended holiday wishes to TCWD's Board of  
10 Directors.

11 Mr. Chadd reported that he attended the MWDOC Manager's meeting earlier today. Mr.  
12 Chadd advised Mr. Jeffrey Kightlinger of Metropolitan Water District of Southern California is  
13 scheduled to speak at MWDOC's January 4, 2012 joint meeting.

14 Mr. Chadd advised he met with Ms. Emery of the Local Agency Formation Commissions  
15 of Orange County (LAFCO). Mr. Chadd relayed Ms. Emery was impressed with what TCWD is  
16 doing and Mr. Chadd offered to provide a tour of the District. Mr. Chadd advised that Ms.  
17 Emery asked him if he would be a panelist at the upcoming Shared Services meeting with the  
18 Independent Special Districts of Orange County on January 26, 2012.

#### 19 **ITEMS TOO LATE TO BE AGENDIZED**

20 There were no items too late to be agendized.

#### 21 **CONSENT CALENDAR**

22  
23 President Safranski announced that all matters under the Consent Calendar would be  
24 approved by one motion unless a Board Member requests a separate action on a specific item.  
25 Director Acosta requested to pull item 1E from the consent calendar.

#### 26 **ACTION CALENDAR**

27 President Safranski stated that the General Manager and staff had reviewed all matters  
28 under the Action Calendar prior to the Board's consideration.

**MOTION:** A motion was made by Director Acosta and seconded by Director Haselton to approve the Consent Calendar, Item Nos. 1A through 1F, with Item No. 1E pulled for discussion.  
The motion carried 4-0 with Director Disston absent.

Director Acosta reported he did not attend the Water Advisory Committee (WACO) meeting on December 9, 2011. Mrs. Teresa Teichman, Secretary to the Board of Directors, noted the correction.

**MOTION:** A motion was made by Director Acosta and seconded by Director Haselton to approve the Consent Calendar, Item No. 1E as corrected.  
The motion carried 4-0 with Director Disston absent.

### **ANNUAL ORGANIZATIONAL MEETING**

#### **ITEM NO. 1G ELECTION OF BOARD OFFICERS**

Mr. Chadd stated that, pursuant to the District's General Policy and Rules and Regulations, elections for the offices of President and Vice President should be held at this time.

##### **Office of President**

Mr. Chadd opened the nominations for the office of Board President.

**MOTION:** A motion was made by Director Acosta and seconded by Director Safranski nominating Director Ed Mandich as Board President. There were no further nominations, and Mr. Chadd closed the nominations. Director Mandich was voted Board President with a 4-0 vote with Director Disston not in attendance.

##### **Election of Vice President**

Newly-elected President Mandich opened the nominations for the office of Vice President.

**MOTION:** A motion was made by Director Safranski and seconded by Director Acosta nominating Director Jim Haselton as Board Vice President. There were no further nominations, and President Mandich closed the nominations for the office of Vice President. Director Haselton was voted Board Vice President with a 4-0 vote with Director Disston not in attendance.

**ITEM NO. 1H            COMMITTEE MEMBERS AND AGENCY REPRESENTATIVES  
ASSIGNMENTS**

President Mandich assigned Directors to Committees and as Agency Representatives as follows:

**Standing Committees**

**Directors**

Finance/Audit Committee

Haselton (Chairperson)  
Acosta (Member)  
Mandich (Alternate)

Engineering/Operational

Safranski (Chairperson)  
Mandich (Member)  
Acosta (Alternate)

Executive Committee

Haselton (Chairperson)  
Mandich (Member)  
Designated staff members

**Commissions/Agency Representatives**

Santiago Aqueduct Commission

Acosta (Commissioner)  
Mandich(Alternate)

South Orange County  
Wastewater Authority

Mandich (Commissioner)  
Acosta (Alternate #1)  
Chadd (Alternate #2)

Independent Special  
Districts of Orange County

Mandich  
Safranski(Alternate)

Water Advisory Committee  
of Orange County

Acosta

Government Affairs Liaison  
City of Rancho Santa Margarita

Mandich – 2<sup>nd</sup> Wednesday  
Safranski - 4<sup>th</sup> Wednesday

Local Agency Formation  
Commission

Chadd, General Manager

ACWA/JPIA  
American Water Works  
Association

TBD – Not mandatory  
H. Ruiz, District Engineer

MWDOC Board Meetings

TBD

California Special District  
Association

Acosta (Delegate)

**Ad Hoc Committees**

The Strategic Planning, Public Outreach/Communication, and Rules and Regulations Committees are inactive at this time but will be reactivated as needed. The Land Asset Ad Hoc Committee was formed in August, 2011.

**ADMINISTRATIVE MATTERS**

**ITEM NO. 11      DISCUSSION AND POSSIBLE ACTION REGARDING  
APPOINTMENT OF ONE OR MORE ASSISTANT SECRETARIES  
OF THE DISTRICT**

President Mandich called on Ms. Teresa Teichman, who had completed a speaker card for purposes of speaking to this Agenda Item.

Ms. Teichman addressed the District's Board from the podium. Ms. Teichman spoke to several issues concerning the position of District Secretary, the proposed appointment of one or more Assistant Secretaries of the District and District and Board secretarial positions utilized by other agencies within the Orange County area. Ms. Teichman noted her attendance record and commented upon her performance as Secretary to the Board since her appointment as District Secretary. She also commented on the training that she had received in order to fulfill her duties as District Secretary. She also commented that she has been making efforts to train another District employee to assist with District agendas, minutes and other secretarial duties should she be unavailable to do so or should other need arise.

Ms. Teichman also commented that the use of Assistant Secretaries by other special districts within the Orange County area is not common.

1 Ms. Teichman suggested to the Board that, based upon other circumstances, the  
2 Board defer the consideration of appointment of one or more Assistant Secretaries to the  
3 Board to a later point in time.

4 Upon concluding her remarks, Ms. Teichman returned to her staff position to  
5 resume her secretarial duties.

6  
7 Board discussion followed. Such discussion included further discussion relative  
8 to other agencies or water districts in Orange County that utilize an assistant secretary  
9 position. Specific agencies that utilize an assistant secretary position were discussed by  
10 Board, staff and District legal counsel. There was also discussion among Board and staff  
11 relative to the timing and staff recommendation for action. The General Manager  
12 presented the recommendation from staff to the Board.

13 Following Board discussion, the following motion was made and acted upon.

14  
15 **MOTION: MOTION WAS MADE BY DIRECTOR SAFRANSKI TO MOVE**  
16 **STAFF RECOMMENDATION. MOTION WAS SECONDED BY**  
17 **PRESIDENT MANDICH.**

18 The Board approved the Motion on a vote of 4 – 0, with Director Disston  
19 absent.

20 **ITEM NO. 1J DISCUSSION AND POSSIBLE ACTION RELATING TO THE**  
21 **OPTION OF CANCELLING THE REGULAR BOARD MEETING**  
22 **(S) (Adjourned due to lack of quorum) AS DEEMED**  
23 **APPROPRIATE**

24 Mr. Chadd discussed the issue and reminded the Board TCWD almost did not have a  
25 quorum at the time of the November, 2011 Board meeting and discussed the merit of an  
26 adjourned Board meeting, if circumstances warranted. Mr. Chadd advised he discussed the issue  
27 with TCWD Legal Counsel. Legal Counsel suggests if a Regular Board meeting requires  
28 adjournment, due to lack of quorum, that the General Manager contact the Board President for  
concurrment, as long as no action items are pending.

1 President Mandich began to instruct staff to create a protocol for such situations.

2 Mr. Chadd advised President Mandich creation of a protocol is not necessary, a motion is  
3 all that is needed.

4 Mr. Anslow requested if there were any objections from a Board member, that it be  
5 included in the motion.

6 Director Acosta stated he would like to see procedures of what the qualifying  
7 circumstances may be to adjourn a regularly scheduled board meeting. Mr. Chadd replied he can  
8 do that.

9  
10 **MOTION:** A motion was made by Director Safranski and seconded by Director  
11 Acosta to allow the General Manager to contact the Board President when  
12 such circumstance occur which could adjourn a regularly scheduled Board  
meeting. The vote carried 4-0 with Director Disston not in attendance.

13 **ITEM NO. 1K CONSIDERATION AND POSSIBLE ACTION REGARDING THE**  
14 **IMPLEMENTATION OF GUARDIAN FLEX PLAN FOR**  
15 **DISTRICT EMPLOYEES**

16 Mr. Michael Perea, Special Projects Manager stated in an effort to seek additional  
17 benefits for employees, the option of a flexible spending account was investigated. Mr. Perea  
18 provided a recap of the plan benefits and stated there would be a \$500.00 start-up fee for  
19 implementation of the plan and a minimum cost of \$600.00 per year to the District, based on the  
20 number of employees enrolled.

21 Director Acosta stated this benefit should be offered to employees of the District only and  
22 not to Board members.

23 Mr. Perea confirmed the plan is for TCWD employees only.

24 Mr. Anslow stated he has other clients who have implemented this plan and stated it  
25 grows in popularity with employees over the years.

26  
27 **MOTION:** A motion was made by Director Safranski and seconded by Vice President  
28 Haselton to approve a Flexible Spending Plan for District employees at the  
stated costs. The vote carried 4-0 with Director Disston not in attendance.

1 **ENGINEERING MATTERS**

2 **ITEM NO. 1L STATUS UPDATE AND POSSIBLE ACTION RELATING TO**  
3 **BAKER REGIONAL WATER TREATMENT FACILITY**

4 Mr. Hector Ruiz, District Engineer, advised the design engineers continue to work on  
5 completion of the 100 percent design plans and specifications.

6 Mr. Ruiz advised the Baker Regional Water Treatment Facility (BRWTF) Committee is  
7 scheduled to meet this afternoon and will be discussing residual management and options for  
8 optimization which could increase or decrease costs.

9  
10 The information was received and filed. No action necessary.

11 **ITEM NO. 1M DISCUSSION AND ACTION RELATING TO AN ORDINANCE OF**  
12 **REGULATIONS FOR THE DISCHARGE OF WASTEWATER TO**  
13 **SEWERAGE FACILITIES OF THE TRABUCO CANYON WATER**  
14 **DISTRICT SERVICE AREA AND RELATED ENFORCEMENT**  
15 **RESPONSE PLAN**

16 Mr. Ruiz stated TCWD is currently operating under existing TCWD Ordinance No.  
17 2000-17, adopted on August 16, 2000. Mr. Ruiz discussed the purpose and benefits of the new  
18 ordinance which is a requirement of SOCWA.

19 Mr. Ruiz advised that SOCWA provided draft information to TCWD which Staff and  
20 Legal Counsel has reviewed. Mr. Ruiz advised also included is the required Emergency  
21 Response Plan (ERP).

22 **MOTION:** A motion was made by Director Acosta and seconded by President  
23 Mandich to approve the Pretreatment and Source Control Ordinance  
24 Adoption Schedule and direct Staff and Legal Counsel to move forward  
25 with preparation and Notice of Public Hearing for the January 18, 2012  
26 Regular Board meeting. The vote carried 4-0 with Director Disston not in  
27 attendance.

28 **ITEM NO. 1N DISCUSSION RELATING TO THE ALTERNATE RAW WATER**  
**TRANSMISSION LINE (ARWTL) (16-inch Raw Water**  
**Transmission Line – Serrano Creek Crossing Alternate Route –**  
**PW79)**



1 Mr. Ruiz provided background information on the project and stated while the appeal  
2 decision from the Federal Emergency Management Agency (FEMA) is pending on this project,  
3 staff has prepared a Request for Proposal (RFP) which Mr. Ruiz would like to issue to various  
4 local engineering firms tomorrow.

5 President Mandich suggested waiting to issue the RFP until such time that FEMA  
6 provides comments in order to avoid potential change orders.

7 Discussion followed concerning scope of work to contractor would not include  
8 interaction with local or state agencies on behalf of TCWD. Also discussed was a termination  
9 clause in RFP if necessary based on FEMA information received. Legal Counsel confirmed the  
10 termination clause requires TCWD to pay for work which has been performed.

11  
12 **MOTION:** A motion was made by Director Acosta and seconded by Director  
13 Safranski to issue the RFP. The vote carried 4-0 with Director Disston not  
14 in attendance.

15 **ITEM NO. 10. STATUS REPORT AND POSSIBLE ACTION RELATING TO**  
16 **DOVE RESERVOIR/TRABUCO RESERVOIR INTER-TIE AND**  
17 **TRABUCO HIGHLANDS PRESSURE REDUCING STATIONS**  
18 **PROJECTS**

19 Mr. Ruiz provided background on the two distribution projects and advised the projects  
20 have been combined due to their mutual distribution improvement benefits and to achieve  
21 economy of scale for bidding. Mr. Ruiz reviewed the project schedule and requested the Board  
22 authorize staff to proceed with issuance of the RFP. President Mandich questioned certain dates,  
23 Mr. Ruiz stated the dates are incorrect and re-stated the dates. Mr. Ruiz advised TCWD's Legal  
24 Counsel is preparing the Mitigated Negative Declaration for this project which Mr. Ruiz  
25 anticipates bringing to the Board at the time of the Regular January Board meeting. Director  
26 Safranski expressed concerns relating to the cost of this project in consideration of TCWD's  
27 current and pending projects. Mr. Chadd stated funds for this project would come from the  
28 Water Reliability and Emergency (WRE&S) Storage fund fee.

1           **MOTION:**     A motion was made by Director Acosta and seconded by Vice President  
2                             Haselton to issue the RFP. The vote carried 4-0 with Director Disston not  
3                             in attendance.

4           **ITEM NO. 1P.       STATUS REPORT AND POSSIBLE ACTION RELATING TO**  
5                             **TRABUCO CANYON WATER DISTRICT'S LABOR**  
6                             **COMPLIANCE PROGRAM AND NEW CALIFORNIA**  
7                             **LEGISLATION**

8           Mr. Ruiz provided background on this item and advised because TCWD has been  
9           awarded Proposition 84 (Prop 84) funds for funding up to 75 percent of the Shadow Rock  
10          Detention Dry Season Runoff Capture and Collection System, TCWD is now required to  
11          establish a Labor Compliance Program (LCP).

12          Mr. Ruiz stated TCWD submitted application to the Department of Industrial Relations  
13          (DIR) requesting approval for its own LCP to meet Prop 84 requirements. Mr. Ruiz advised staff  
14          is seeking assistance in preparation of a LCP manual and creation of forms and documents along  
15          with training. Mr. Ruiz advised TCWD has requested a proposal for consulting services in order  
16          to meet the requirements.

17           **MOTION:**     A motion was made by Director Acosta and seconded by President  
18                             Mandich to authorize the District to retain a consultant to assist in the  
19                             implementation of a LCP . The vote carried 4-0 with Director Disston not  
20                             in attendance.

21                             **FINANCIAL MATTERS**

22           **ITEM NO. 1Q     DISCUSSION AND POSSIBLE ACTION RELATING TO REVIEW**  
23                             **AND POTENTIAL ADJUSTMENT OF SEWER SERVICE FEES.**

24          Mr. Chadd provided information relating to the two separate sewer zones. Mr. Chadd  
25          discussed the possibility of using reclaimed water to off-set costs in the Robinson Ranch zone.  
26          Mr. Chadd briefly discussed the possibility to build a penalty fund in the amount of \$250,000 for  
27          each of the two zones over a ten year period. Mr. Chadd stated preliminary information reflects  
28          a potential adjustment of \$13.39 per month to the sewer service fee in the Robinson Ranch zone  
                and a potential adjustment of \$11.15 per month to the sewer service fee in the Chiquita zone.

1 Mr. Chadd stated this information will come back to the Board as a first reading at the time of  
2 the January Board meeting.

3 Director Safranski expressed concern at how an increase to District rate payers may be  
4 received during these tough economic times for purposes of a penalty fund and inquired as to  
5 the current balance in TCWD's Sewer Rate Stabilization Fund and TCWD's Water Rate  
6 Stabilization Fund. Mr. Chadd stated there is approximately \$140,000 in the Sewer Rate  
7 Stabilization Fund at this time.

8 Both Director Acosta and President Mandich stated they agree with Director Safranski  
9 relating to the sensitivity of increasing fees and reiterated the need for TCWD to investigate all  
10 options prior to any type of increase to District customers.

11 Director Safranski asked if TCWD's water rates may go down if the District subsidizes  
12 sewer with water. Mr. Chadd replied it will not.

13 Discussion occurred relating to \$250,000 for each separate sewer zone rather than a fund  
14 which could be used for both sewer zones. Mr. Chadd pointed out the variability each zone has  
15 as it relates to the potential for fines such as the number of lift stations, quantity of flow, and  
16 proximity to the ocean

17  
18 The Board received and filed the information. No action taken.

## 19 20 **LEGISLATIVE MATTERS**

### 21 **1R. DISCUSSION AND POSSIBLE ACTION RELATING TO SELECTION OF THE** 22 **ASSOCIATION OF CALIFORNIA WATER AGENCIES HEALTH BENEFIT** 23 **AUTHORITY (ACWAHBA) BOARD OF DIRECTORS**

24 Mr. Chadd advised the District has received information relating to a current Director  
25 opening in the ACWA Health Benefit Authority (HBA)

26 Discussion occurred relating to candidate nominees. Director Safranski commented Ms.  
27 Finnegan actively participates in these meetings and may be a good candidate.  
28

1           **MOTION:**   A motion was made by Director Safranski and seconded by Director  
2                           Acosta to provide support for Ms. Joan Finnegan a Director to the  
3                           ACWA HBA. The vote carried 4-0 with Director Disston not in  
4                           attendance.

5           **1S.   DISCUSSION AND POSSIBLE ACTION RELATING TO LOCAL**  
6                           **GOVERNMENTAL AND LEGISLATIVE INFORMATIONAL ITEMS**

7           Mr. Chadd advised there is no information to report.

8                           **END ACTION CALENDAR**

9                           **OTHER MATTERS**

10           Mr. Anslow stated based on information the District has received, it is necessary for the  
11                           Board to meet with Legal Counsel on January 4, 2012 at 7:00 p.m. for a single purpose Closed  
12                           Session at a Special Board meeting relating to potential litigation.

13           Mr. Anslow also discussed AB1344 and the associated web site posting requirements.  
14           President Mandich asked who would be required to attend the Special Board meeting of January  
15                           4, 2012. Mr. Anslow replied members of TCWD Board of Directors, Legal Counsel, General  
16                           Manager, and the Special Projects Manager.

17           Mr. Ruiz provided information relating to the upcoming Metropolitan Water District of  
18                           Southern California's shutdown of the lower feeder from January 6, 2012 through January 14,  
19                           2012. Mr. Ruiz advised TCWD will be taking Irvine Lake water through the Dimension  
20                           Treatment Plant during the shutdown period. Director Safranski inquired as to the cost to  
21                           TCWD. Mr. Chadd replied the rate will be the same as the current rate.

22           Mr. Chadd advised the Board that the District participated in the annual exercising of the  
23                           Dove Dam valve earlier in the week.

24           **ADDITIONAL DIRECTORS' COMMENTS**

25           There were no additional Director's comments.

1 **ADDITIONAL GENERAL MANAGER COMMENTS**

2 There were no additional General Manager comments.

3 **ADJOURNMENT**

4 At 8:20 p.m. President Mandich adjourned the December 21, 2011 Regular Board  
5 meeting and opened Closed Session.

6 At 8:40 p.m. President Mandich reconvened Open Session and stated the Board reviewed  
7 the General Manager's performance and no action was taken. President Mandich asked Mr.  
8 Chadd if he should schedule another closed session to continue for next month.  
9

10 Mr. Chadd responded he would think about it and instructed President Mandich to  
11 adjourn the meeting at this time.

12 President Mandich adjourned the December 21, 2011 Regular Board meeting at 8:42  
13 p.m.  
14

15 Respectfully Submitted,

16  
17  
18 \_\_\_\_\_  
19 Teresa Teichman  
20 Secretary to the Board of Directors  
21  
22  
23  
24  
25  
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27  
28